

Washington State Auditor's Office
Accountability Audit Report

North Thurston Public Schools
Thurston County

Report Date
February 5, 2010

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March 29, 2010



WASHINGTON
BRIAN SONNTAG
STATE AUDITOR



**Washington State Auditor
Brian Sonntag**

March 29, 2010

Board of Directors
North Thurston Public Schools
Lacey, Washington

Report on Accountability

We appreciate the opportunity to work in cooperation with your District to promote accountability, integrity and openness in government. The State Auditor's Office takes seriously our role to advocate for government accountability and transparency and to promote positive change.

Please find attached our report on North Thurston Public Schools' accountability and compliance with state laws and regulations and its own policies and procedures. Thank you for working with us to ensure the efficient and effective use of public resources.

Sincerely,

BRIAN SONNTAG, CGFM
STATE AUDITOR

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Thurston County
February 5, 2010

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Audit Summary

North Thurston Public Schools Thurston County February 5, 2010

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of North Thurston Public Schools for the period from September 1, 2008, through August 31, 2009.

We evaluated internal controls and performed audit procedures on the activities of the District. We also determined whether the District complied with state laws and regulations and its own policies and procedures.

In keeping with general auditing practices, we do not examine every transaction, activity or area. Instead, the areas examined were those representing the highest risk of noncompliance, misappropriation or misuse. The following areas were examined during this audit period:

- Financial condition
- Open Public Meetings Act
- I-728 student achievement funds
- Impact fees
- Cafeteria cash receipting
- Payroll
- Safeguarding of assets
- Associated Student Body
- Procurement
- Disbursements

RESULTS

In most areas, the District complied with state laws and regulations and its own policies and procedures.

However, we noted certain matters that we communicated to District management. We appreciate the District's commitment to resolving those matters.

Related Reports

**North Thurston Public Schools
Thurston County
February 5, 2010**

FINANCIAL

Our opinion on the District's financial statements and compliance with federal grant program requirements is provided in a separate report, which includes the District's financial statements.

FEDERAL GRANT PROGRAMS

We evaluated internal controls and tested compliance with the federal program requirements, as applicable, for the District's major federal programs, which are listed in the Federal Summary section of the financial statement and single audit report.

Description of the District

North Thurston Public Schools Thurston County February 5, 2010

ABOUT THE DISTRICT

North Thurston Public Schools was founded in 1953 and is the largest school district in Thurston County, serving more than 13,500 students in Lacey and the northeastern part of Thurston County. The District's main objective, in partnership with the community, is to provide public school services to students in kindergarten through 12th grade.

The District has 21 schools: 13 elementary, four middle, three comprehensive high schools and an alternative high school. The District is also a member of the New Market Vocational Skills Center, a nine-school district cooperative. The District provides basic education as well as a variety of supplemental programs and learning opportunities for students such as Gifted Education, Special Education, Learning Support and English as a Second Language.

The District's elected, five-member Board of Directors is the primary policy-making body, exercising budgetary and financial controls for the District. The Superintendent and District staff administer day-to-day operations and carry out decisions made by the Board. The District has a general fund operating budget of over \$100 million and a staff of over 2,000 full- and part-time employees.

ELECTED OFFICIALS

These officials served during the audit period:

Board of Directors:

Bill Williams
Chuck Namit
Aaron Owada
Laurie Davies
Leah Wells

APPOINTED OFFICIALS

Superintendent
Assistant Superintendent

Raj Manhas
Shawn Lewis

DISTRICT CONTACT INFORMATION

Address: North Thurston Public Schools
305 College Street N.E.
Lacey, WA 98516-5390

Phone: (360) 412-4400

Web site: www.nthurston.k12.wa.us

AUDIT HISTORY

We audit the District annually. The 2006 audit had one federal finding relating to Title I time and effort documentation. Management has taken the necessary steps to correct the deficiency and has made program changes to further ensure that they do not repeat the errors. This reflects the District's commitment to maintaining a strong financial system with sufficient internal controls. The prior and current audits have been free of findings.



ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

Our mission is to work in cooperation with our audit clients and citizens as an advocate for government accountability. As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

The State Auditor's Office employees are located around the state to deliver our services effectively and efficiently.

Our audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits of state agencies and local governments and fraud, whistleblower and citizen hotline investigations.

The results of our work are widely distributed through a variety of reports, which are available on our Web site and through our free, electronic subscription service. We continue to refine our reporting efforts to ensure the results of our audits are useful and understandable.

We take our role as partners in accountability seriously. We provide training and technical assistance to governments and have an extensive quality assurance program.

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